

**IV-E Foster Care Payments and
Medical (CCS, Crisis, etc.) Services Provided by Foster Homes
Draft–Dated August 12, 2005**

Summary Statement: Medicaid pays for medical services regardless of the amount that a foster parent receives under the uniform foster care rate because medical services are completely exclusive and has no relationship to the foster care payment.

IV-E foster payments (including basic, supplemental and exceptional) pay for what Medicaid, under the Medicaid State Plan, has traditionally called "room and board." According to federal regulations, IV-E foster payments are payments to cover the cost (and the cost of providing) only food, clothing, shelter, daily supervision (ordinary parental duties), school supplies, and a child's personal travel to the child's home for visitation. IV-E foster payments never cover any Medicaid State Plan services.

All Medicaid State Plan mental health/substance abuse services (outpatient mental health, outpatient substance abuse, all day treatment services, crisis intervention, Community Support Program, Comprehensive Community Services, HealthCheck "Other Services" are all medical services. Crisis intervention, Community Support Program, and Comprehensive Community Services typically covers more evidence-based mental health/substance abuse medical practices. Medicaid, under the Medicaid State Plan, never pays for "room and board costs" except for persons residing in a nursing home or hospital .

The county determines the room and board cost through the uniform foster care rate process. Some foster parents may receive the basic, others may receive basic plus supplemental, and other may receive basic plus supplemental, plus exceptional. In all cases, this is considered "room and board cost." Medicaid pays for medical services regardless of the amount that a foster parent receives under the uniform foster care rate because medical services are completely exclusive and has no relationship to room and board cost.

Following are two real-life scenarios to assist in explaining the difference.

Scenario One:

Johnny has a diagnosable mental illness. His behavior is such that he tears everything in sight, strikes out at everyone, and runs away frequently. The child welfare worker asks the Ticks foster home to take Johnny in, and lets them know of his mental illness and behavior. The worker lets them know that they will need to provide constant supervision so that Johnny doesn't tear everything, doesn't strike out at people, and doesn't run away. The Ticks foster family is given a foster care maintenance payment that may or may not include any supplemental or exceptional payment since their parental duties may or may not be any more substantial than with other children. A therapist comes in the home once a week to help the parents deal with their issues with Johnny's behavior just

like the therapist does with a natural family and their child. This foster family has no involvement in providing any medical (CCS, Crisis, etc.) services.

Relevant Quotes taken from Federal IV-E regulations: Foster care maintenance payments (in Wisconsin, that is defined as the uniform foster care payment, including basic, supplemental, and exceptional) are payments to cover the cost (and the cost of providing) food, clothing, shelter, daily supervision (ordinary parental duties), school supplies, and a child's personal travel to the child's home for visitation.

Examples of unallowable "social services" are counseling and therapy to help with a child's adjustment, counseling and therapy to help a child resolve the problem for which he or she was placed, counseling and therapy with the child and his or her biological family to resolve the difficulties that led to the need for placement; counseling and therapy to plan for the return of the child to the community; and psychological or educational testing, evaluation, and assessment. These costs may be claimed under other programs.

A supplement to the basic maintenance payment for a particular child is justified when the child has greater than usual needs for the items included in the definition (Items included in the definition are: food, clothing, shelter, daily supervision, school supplies and a child's personal travel to the child's home for visitation.)

Scenario Two:

Johnny has a diagnosable mental illness. His behavior is such that he tears everything in sight, strikes out at everyone, and runs away frequently. The child welfare workers ask the Ticks foster home to take Johnny in, and let them know of the mental illness and behavior. The Ticks foster home is a trained medical provider under CCS. Thus, the worker (or the mental health worker if different) also asks the parent to serve as the CCS provider for this child, and the recovery team (including a licensed mental health professional) develops a CCS service/treatment plan, develops the interventions that the foster family will perform while Johnny is in their care. The foster family charts on a daily basis the interventions that they provide as well as Johnny's responses. Although the ultimate goal of the CCS service is to extinguish his behaviors, the short-term goal is to decrease each behavior by 33% within the first 3 months. The Ticks foster family is given a foster maintenance payment that may or may not include any supplemental or exceptional payment since their parental duties may or may not be any more substantial than with other children. The Ticks will be paid as a CCS provider for the CCS services that they provide to Johnny.

Relevant Quotes taken from Federal regulations: The provision of health care services is not included in the definition of foster care maintenance payment (in Wisconsin, that is defined as the uniform foster care payment, including basic, supplemental, and exceptional) and therefore is not an allowable cost item under Title IV-E. In other words, the definition of foster care maintenance payments in

section 475 of the Act does not include medical expenses as an allowable cost in title IV-E.

Social services under family foster care or institutional foster care – As with all items of care and costs of administration and operation, the critical factor is the activity being performed and not the title or position of the performer. “Social services” are not allowable cost items as Title IV-E maintenance payments under any circumstances, regardless of what type of person provides them.

An example cited: In response to a question whether a foster parent could be paid as a foster parent and a child care provider for the same child, the federal manual stated that there is nothing in Title IV-E that prohibits a State from providing a Title IV-E foster care maintenance payment and a Title IV-A or child care development fund payment to the same provided for the same child.

A supplement to the basic maintenance payment for a particular child is justified when the child has greater than usual needs for the items included in the definition (Items included in the definition are: food, clothing, shelter, daily supervision, school supplies and a child’s personal travel to the child’s home for visitation. The provision of health care services is not included in that definition and therefore is not an allowable cost item under Title IV-E.